

Grand charmer Lavelle a most unlikely Ontario mandarin

BY ROBERT SHEPPARD
The Globe and Mail

Every political generation at Queen's Park breeds its own top mandarins, the one or two key bureaucrats who rise through the ranks to become, "Yes, Minister," the verifiable insiders.

In Liberal Ontario, this mantle has fallen to an unlikely mandarin, a self-described skeptic and "bureaucratic outsider" — Patrick Lavelle.

For more than a decade, he was the well-paid, well-connected chief lobbyist for the Canadian car parts industry. Considered a federal Liberal and a provincial Tory, he was one of the grand charmers of the intergovernmental circuit, generally the first with a phone call of congratulations when one was due, or a well-researched background brief when it was appreciated.

When Jean Chrétien was appointed Canada's first French-Canadian minister of finance in 1977, then Ontario Treasurer Darcy McKeough was quickly on the phone to congratulate him.

"I just wanted to call before Pat Lavelle did," Mr. McKeough said jokingly. "You're too late," came the reply from Mr. Chrétien.

Then two years ago, this all changed. Premier David Peterson tagged Mr. Lavelle to be deputy minister of Industry, Trade and Technology, one of the dozing giants of the Ontario bureaucracy. The courtier lobbyist was now in charge of the candy store.

His new task is nothing less than creating the economic agenda for the Government of Ontario.

Being more "strategic," in Lavellian terms, trying to redirect public assistance "from the giants and basket cases" to what are now called the "threshold firms" that just may take off with the right amount of government help.

He even took a pay cut, from \$100,650 to \$91,500 (still the highest in the civil service) to do it.

So what has happened?

On a small scale, ministry-provided airline tickets to U.S. trade shows have been cancelled so development grants can be directed more discriminately toward "value-added" investments.

On a larger scale, Ontario is about to use its economic muscle, through the Premier's technology council and a soon-to-be-

Patrick Lavelle, for more than a decade the chief lobbyist for the Canadian car parts industry, is charged with creating the economic agenda for Ontario in his job as a Liberal Government deputy minister.

unveiled Strategic Development Corporation, to see if it can jump-start selected industries by providing them with a new risk-sharing, equity-taking public partner.

Mr. Lavelle said the concept is not to choose winners and losers, or even resurrect the tripartism approach that was fashionable in the 1970s.

But the models for the programs are clearly the state initiatives of Japan and Sweden, which Mr. Lavelle cites approvingly. Ontario wants to turn its Mitels, Geacs and Linemars into the Volvos and Mitsubishiis of the 1990s.

A leprechaunish, 47-year-old with natty suits and perpetually rumpled blue shirts, Mr. Lavelle is very much a hands-on manager who admits to some problems fitting in with the rest of Ontario's bureaucratic culture.

Under him, the Ministry of Industry, Trade and Technology ran almost single-handedly Ontario's free-trade show, secreting all the Government's studies and strategies in its shop and keeping a tight rein on the initiatives of other departments. At the same time, it dealt with the brush fires of large plant closings and industrial relocation; shut down the high-flying IDEA Corp. venture capital agency; restructured the various provincial development corporations; and cranked out a number of new organizations, notably the Premier's council on technology, to assess and reshape the provincial economy.

He oversees a ministry that controls or directly influences more than \$300-million annually in industrial and research spending. He also chairs a committee of deputy ministers on economic and trade matters, provides the secretariat for the Premier's blue-chip technology council, and is one of



JAMES LEWCUN/The Globe and Mail

Former lobbyist Patrick Lavelle now is running the candy store, taking pay cut to do so.

four civil servant advisers to the select Cabinet committee on priorities and planning.

Moreover, Mr. Lavelle is someone with not only the ear but the interests of the Ontario Premier at heart. He was already an outspoken opponent of free trade and an ardent proponent of managed trade deals when he was president of the Automotive Parts Manufacturers Association.

Of the free-trade pact, he said: "Certainly in the end the deal was one that met some of my worst fears in terms of the impact on certain sectors." It will also, he acknowledged, make it more difficult for

Ontario to carry out some of its new assistance and procurement plans so that they are not seen as an unfair trading subsidy.

His current station is very much across the tracks for a New Toronto kid who grew up near the now-closed Goodyear tire plant, and had his first taste of power as Allan MacEachen's executive assistant in Ottawa in the mid-1960s.

It was a period when Lester Pearson's minority Liberal government was moving left, flirting with economic nationalism. When Allan MacEachen was changing the labor code and introducing the Canada Pension Plan. And when a guy in his early

20s, one of the bright young men of the Liberals return to power, could come away with a permanent taste for the activism of the times.

Mr. Lavelle left Ottawa after the Liberal leadership in 1968 for a stint as a marketing executive in Toronto and Vancouver and then the long association with the APMA that began in 1974 and continued, with a few interruptions, until he joined the Queen's Park bureaucracy in January, 1986.

In 1979, Conservative premier William Davis, another mentor, assigned him to be Ontario's agent in Paris for two years. Shortly after that, the Trudeau Government appointed him to be one of their advisers at the United Nations and then to co-chair a 1983 task force on the car industry, with Robert White of the auto workers' union.

In 1984, Mr. Lavelle was a senior but informal adviser to Mr. Chrétien's Liberal leadership campaign. But that is a partisan connection, along with his regular chats with NDP Leader Edward Broadbent, that he does not want to discuss in any detail these days.

When he took the job, Mr. Lavelle said he was giving himself three years to put a new industrial strategy and range of new programs in place. Two have just passed so the results will have to become more evident in the months ahead.

The ministry is still feeling the political fallout these days from the manner in which it closed down the IDEA operation in the summer of 1986; there is a lawsuit against it for cancelling a \$17-million grant to a computer project called Exploracom after the money was publicly promised; and the 10-year, \$1-billion technology fund has been slow to get off the ground and tangled in bureaucratic tussles over who will actually manage the money in the years ahead.

More important, perhaps, while its determined opposition to free trade helped get the Liberals re-elected in September with a whopping majority, the conclusion of the trade pact a month later caught almost all the Ontario strategists off guard, Mr. Lavelle included, and left them sputtering about what to do next.

The employment adjustments that will almost certainly flow from free trade are the total responsibility of the federal Government, Ontario and Mr. Lavelle are now saying as resolutely as they can. The grand plans of the Ministry of Industry, Trade and Technology see other fish to fry.

CANADIAN CORPORATE REPORTS

Astral Bellevue Pathe Inc., Montreal

Profit for nine months ended Nov. 30, 1987, \$1.4-million, compared with \$1.5-million a year earlier. Share profit 21 cents, compared with 23 cents.

Revenue \$141.4-million, compared with \$125.5-million.

Including charges and tax cred-

	Share profit (\$)	
	Latest	Year ago
Astral Bellevue (9 mo)	0.21	0.23
Dalys (9 mo)	0.29	0.35
Develcon (3 mo)	(0.49)	(0.32)
Standard Trustco (year)	1.66	1.26
Union Carbide (year)	1.20	0.62
Vencap (9 mo)	0.33	0.34
WIC Western (3 mo)	0.33	0.25

Mood lightens as farmers find money to spend

BY OLIVER BERTIN
The Globe and Mail

NEW ORLEANS

The pessimism that has blanketed the farm industry for most of this decade is finally starting to lift in the U.S. Midwest.

Grain prices have bottomed out, farmers are paying down their debt.

The outlook for farming in the U.S. Midwest is beginning to brighten after nearly a decade of gloom because the

favorable to wheat growers and exporters in the United States and Canada. Those indicators are already showing up on the farm.

Mr. Marten said the total U.S. farm debt has dropped to \$140-billion (U.S.) this month from \$190-billion in January, 1985, and land

Thousands of farmers are expected to sign up for the program, adding significantly to the 23 million acres of winter wheat land that is idle in the United States this year.

As a result, the stock of unsold wheat in the United States is